



**GREATLANDGOLD**



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**GREATLAND GOLD HALF-YEARLY REPORT  
AND ACCOUNTS TO 31 DEC 2006**

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## CORPORATE STATEMENT

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Greatland Gold was established in 2005 as a mineral exploration and development company. In July 2006 Greatland Gold plc was admitted to AIM, a market operated by the London Stock Exchange.

The board seeks to increase shareholder value by the systematic evaluation of its existing resource assets, as well as the acquisition of suitable exploration and development projects and producing assets.

Greatland currently has three mineral projects located in Australia and is focused on growth through the development of large gold resources.

## HIGHLIGHTS

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**Management experienced in finance and marketing with a track record of deposit discovery and company success.**

**Strategic property portfolio, 100% owned. Includes high grade gold and base metal mineralisation.**

**Australian focus – good infrastructure, low sovereign risk.**

**AIM listed in July 2006. Code GGP.**



# MANAGING DIRECTORS STATEMENT

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## **GREATLAND GOLD PLC**

### **HALF-YEARLY REPORT - SIX MONTHS ENDED 31 DECEMBER 2006**

The period has been an exciting and active time for your company. It has achieved many milestones and continues to move forward on many fronts. Most importantly, exploration activities have yielded many positive results.

In Australia, an operational base was established close to the work areas. This has proved a positive move that supports field activities on a daily basis. And in London an administrative hub was created to provide for the needs of the investor and the Company. Spending during the period was at budgeted levels and commensurate with the positive exploration results.

Your company is focussed on growth. It makes use of the low cost - high reward phase of mineral exploration and development. The projects are located close to many world-class base metal deposits and other large gold deposits. All of the projects are 100% owned by Greatland, and were either previously operated by major companies, or are located adjacent to projects run by some of the largest mining companies in the world.

The projects are situated in an area where there is high-grade gold and base metal mineralisation. The location is close, and geology similar to, large deposits nearby. Greatland is an energetic company focussed on growth - and recently announced drill results are good. Further news will be released shortly.

Australia has all the advantages of a stable economic climate, established infrastructure and skilled mining workforce. These points are key when it comes to exploring and successfully mining deposits.

The board members are experienced in both the mining and financial sectors and are fully committed to the company's growth strategies. Your company has a good mix of exciting projects, technical talent, promotional experience, financing capacity and corporate ability. We look forward to the year ahead.

### **Callum N Baxter**

Managing Director

13 March 2007



## GROUP INCOME STATEMENT

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	6 months to 31 December 2006 Unaudited £	Period 16 November 2005 to 30 June 2006 Audited £
Turnover	6,212	-
Exploration costs	(127,826)	-
Administrative expenses	(145,568)	(27,743)
Currency gain/(loss)	(2,517)	-
<b>Operating loss</b>	<b>(269,699)</b>	<b>(27,743)</b>
Interest receivable	14,628	131
<b>Loss on ordinary activities before taxation</b>	<b>(255,071)</b>	<b>(27,612)</b>
Tax on loss on ordinary activities	-	-
<b>Loss for the financial period</b>	<b>(255,071)</b>	<b>(27,612)</b>
<b>Retained loss for the period</b>	<b>(255,071)</b>	<b>(27,612)</b>
<b>Loss per share</b>	<b>(0.24) pence</b>	<b>(0.23) pence</b>



## GROUP BALANCE SHEET

	31 December 2006 Unaudited £	30 June 2006 Audited £
<b>ASSETS</b>		
<b>Non-current assets</b>		
Exploration properties	423,212	291,379
Plant & equipment	13,258	-
Total non-current assets	<u>436,470</u>	<u>291,379</u>
<b>Current assets</b>		
Cash and cash equivalents	758,112	1,318,648
Current asset investments - see note 4	112,944	-
Trade and other receivables	78,871	33,897
Total current assets	<u>949,927</u>	<u>1,352,545</u>
<b>Total assets</b>	<u>1,386,397</u>	<u>1,643,924</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	(99,315)	(224,458)
<b>Total liabilities</b>	<u>(99,315)</u>	<u>(224,458)</u>
<b>Net assets</b>	<u>£1,287,082</u>	<u>£1,419,466</u>
<b>Equity</b>		
Called up share capital	106,550	100,550
Share premium reserve	1,224,771	1,108,084
Retained losses	(282,683)	(27,612)
Other reserves	238,444	238,444
<b>Equity shareholders' funds</b>	<u>£1,287,082</u>	<u>£1,419,466</u>



## GROUP CASH FLOW STATEMENT

	6 months to 31 December 2006 Unaudited £	Period 16 November 2005 to 30 June 2006 Audited £
<b>Cash flow from operating activities</b>		
Operating loss	(269,699)	(27,743)
(Increase) in debtors	(44,974)	(23,100)
Increase (decrease) in creditors	(125,143)	174,142
(Increase) in current asset investments	(112,944)	-
<b>Cash generated from operations</b>	<u>(552,760)</u>	<u>123,299</u>
<b>Cash flows from investing activities</b>		
Interest received	14,628	131
Purchase of tangible assets	(13,258)	-
Purchase of intangible assets	(131,833)	(590)
<b>Net cash flows used in investing activities</b>	<u>(130,463)</u>	<u>(459)</u>
<b>Acquisitions and disposals</b>		
Cash acquired with subsidiary acquisition	-	12,174
<b>Net cash inflow from acquisitions and disposals</b>	<u>-</u>	<u>12,174</u>
<b>Cash inflows from financing activities</b>		
Proceeds from issue of shares	120,000	1,411,000
Transaction costs of issue of shares	2,687	(227,366)
<b>Net cash flows from financing activities</b>	<u>122,687</u>	<u>1,183,634</u>
<b>Net increase in cash and cash equivalents</b>	(560,536)	1,318,648
Cash and cash equivalents at the beginning of period	1,318,648	-
<b>Cash and cash equivalents at end of period</b>	<u>758,112</u>	<u>1,318,648</u>



## MOVEMENT ON EQUITY SHAREHOLDERS' FUNDS

	6 months to 31 December 2006	Period 16 November 2005 to 30 June 2006
	Unaudited £	Audited £
Loss for the period	(255,071)	(27,612)
Proceeds of share issues	120,000	1,661,000
Share issue expenses	2,687	(227,366)
Foreign currency translation reserve	-	13,444
Net (decrease) increase in shareholders' funds	(132,384)	1,419,466
Opening equity shareholders' funds	1,419,466	-
Closing equity shareholders' funds	1,287,082	1,419,466

## HALF-YEARLY REPORT NOTES

### 1. Half-yearly report

This half-yearly report was approved by the Directors on 9 March 2007. The information relating to the six month period to 31 December 2006 is unaudited. The information relating to the period 15 November 2005 to 30 June 2006 is extracted from the audited accounts of the Company which have been filed at Companies House and on which the auditors issued an unqualified audit report.

### 2. Basis of accounting

The report has been prepared using accounting policies and practices that are consistent with those adopted in the statutory accounts for the period ended 30 June 2006, although the information does not constitute statutory accounts within the meaning of section 240 of the Companies Act 1985. These half-yearly financial statements consolidate the financial statements of the Company and its subsidiary. The Company and Group will report again for the full year to 30 June 2007.

### 3. Loss per share

	6 months to 31 December 2006	Period 16 November 2005 to 30 June 2006
	Unaudited £	Audited £
These have been calculated on a loss of:	(255,071)	(27,612)
The weighted average number of shares used was:	104,272,826	12,000,886
Basic loss per share:	(0.24) pence	(0.23) pence

### 4. Current asset investments

The Group's investment in Sunvest Corporation Limited was valued at £134,309.00 as at 31 December 2006, the value based on the mid market quotation of AS\$1.20 and exchange rate of £1.00:AS\$2.48 at the close of business on that date.

Copies of this half-yearly report are available free of charge by application in writing to the Company Secretary at the Company's registered office, 55 Gower Street, London WC1E 6HQ, or by email to [info@greatlandgold.com](mailto:info@greatlandgold.com)

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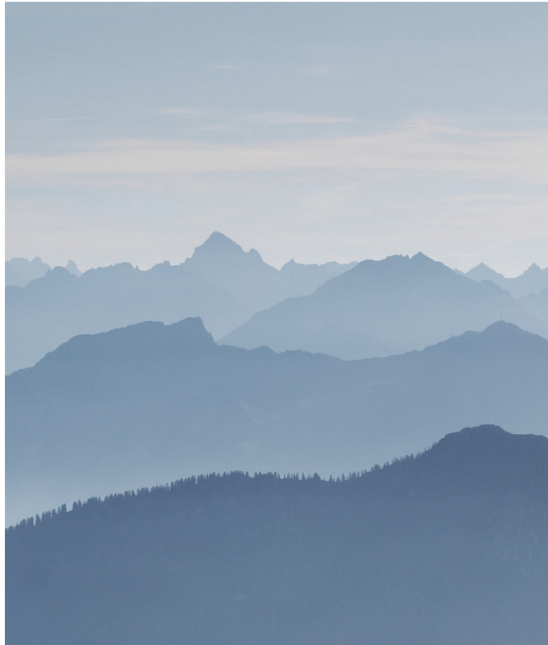
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